



**BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES**

383 KENNETH HAHN HALL OF ADMINISTRATION / LOS ANGELES, CALIFORNIA 90012

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VIOLET VARONA-LUKENS, EXECUTIVE OFFICER  
(213) 974-1411

June 3, 2004

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

**CONFLICT OF INTEREST AND DISCLOSURE CODES  
(ALL DISTRICTS)  
(3-VOTES)**

**IT IS RECOMMENDED THAT YOUR BOARD:**

Approve the Conflict of Interest and Disclosure Codes for the Department of Human Resources and LACERA to be effective the day following your Board's approval.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The recommendations are necessary in order to comply with the provisions of the Political Reform Act of 1974. In accordance with the Act, the Board of Supervisors must approve a Conflict of Interest and Disclosure Code for each local government agency for which the Board of Supervisors is the code reviewing body.

Pursuant to Government Code Section 87300, every agency must adopt and promulgate a Conflict of Interest and Disclosure Code that, as the code reviewing body for Los Angeles County, the Board of Supervisors must approve before the code can then take effect. In addition, pursuant to Government Code Section 87306, agencies are required to amend their Conflict of Interest Codes when such amendments are necessitated by changed circumstances.

### Implementation of Strategic Plan Goals

Approval of the attached codes broadly supports the County Strategic Goal of Workforce Excellence.

The proposed amendments to these Conflict of Interest and Disclosure Codes have been thoroughly reviewed and approved by the code review staff in accordance with the procedures established by your Board.

### **FISCAL IMPACT/FINANCING**

Local governmental agencies must have a Conflict of Interest and Disclosure Code in which designated employees are required to disclose financial interests at a level appropriate to their decision-making authority. These employees make or participate in the making of decisions that may have a foreseeable material effect on a financial interest. Adoption of a Conflict of Interest and Disclosure Code deters potential conflicts of interest, thereby averting misuse of public funds.

The recommended action has no effect on budget revenues and expenditures.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The code review staff recommends that your Board approve the newly adopted or amended Conflict of Interest and Disclosure Codes for the department/agencies listed below, pursuant to Government Code Section 87300.

#### Human Resources, Department of

- Deletes the positions of *Human Resources Manager - Health Safety & Disability Benefits; Principal Analyst, HR - Health, Safety & Disability Benefits; Human Resources Analyst III - Health, Safety & Disability Benefits* from the code.
- Adds the positions of *Chief Deputy Director; Principal Analyst, HR - Employee Benefits Administration – Contract Section ;Principal Analyst - Human Resources – Employee Benefits Administration –Deferred Income Section; Human Resources Analyst IV – Employee Benefits Administration – Deferred Income Section; Human Resources Analyst III – Employee Benefits Administration – Contracts Section; Human Resources Manager – Human Resources/Departmental Support; and Data System Analyst II – Administration Services MIS* to the code.

Human Resources, Department of (cont.)

- Changes the titles of twelve (12) positions.
- Deletes an obsolete disclosure category from the code.
- Renumbers a disclosure category.

Los Angeles County Employees Retirement Association (LACERA)

- Revises the language of five (5) disclosure categories.
- Adds a disclosure category.
- Adds the positions of *Associate Staff Counsel, LACERA*; *Associate Staff Counsel, LACERA (Disability Litigation Section)*; *Data Systems Supervisor II, LACERA*; *EDP Principal Programmer Analyst, LACERA*; and *Administrative Services Officer, LACERA* to the code.
- Changes the titles of three (3) positions.
- Deletes the positions of *Public Information Officer II, LACERA* and *Procurement Assistant II, LACERA* from the code. These positions were deleted from the budget.
- Narrows the disclosure for *Staff Counsel, LACERA (Disability Litigation Section)*; *Senior Staff Counsel, LACERA (Disability Litigation Section)*; and *Chief Counsel, Disability Litigation, LACERA* based on the scope of their duties and responsibilities.
- The *Chief Executive Officer* and the *Chief Counsel, LACERA* have been determined to be Public Officials Who Manage Public Investments and will make full disclosure pursuant to statute.

The Honorable Board of Supervisors  
June 3, 2004  
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**IMPACT ON CURRENT SERVICES**

Approving the attached Conflict of Interest and Disclosure Codes for these agencies will further the purposes of the Political Reform Act of 1974 and will require the individuals designated in each agency's code to disclose appropriate economic interests in their Statements of Economic Interests.

Respectfully submitted,

**Violet Varona-Lukens**  
Executive Officer  
Attachments (2)

c: Chief Administrative Officer  
County Counsel

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Conflict of Interest Code  
of the

**HUMAN RESOURCES, DEPARTMENT OF**

Incorporation of FPPC Regulation 18730 (2 California Code of Regulations, Section 18730) by Reference

The Political Reform Act (Government Code Section 81000, *et seq.*) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. 18730), which contains the terms of a standard conflict of interest code. After public notes and hearing, it may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730, and any amendments to it duly adopted by the Fair Political Practices Commission, are hereby incorporated into the conflict of interest code of this agency by reference. This regulation and the attached Appendices (or Exhibits) designating officials and employees and establishing economic disclosure categories shall constitute the conflict of interest code of this agency.

Place of Filing of Statements of Economic Interests

All officials and employees required to submit a statement of economic interests shall file their statements with the agency head; or his or her designee. The agency shall make and retain a copy of all statements filed by its Board Members, Governing Board Members, Alternate Board Members, as appropriate, and its agency head (Agency/Department Head, Executive Officer or Chief Executive Officer, Superintendent, or Director), and forward the originals of such statement to the Executive Office of the Board of Supervisors of Los Angeles County.

The agency shall retain the originals of statements from all other Designated Positions named in the agency's conflict of interest code. All retained statements, original or copied, shall be available for public inspection and reproduction (Gov. Code Section 81008).

(6/02) (Rev.)

## **HUMAN RESOURCES, DEPARTMENT OF**

### **EXHIBIT “A”**

#### **CATEGORY 1**

Persons in this category shall disclose all interests in real property within the jurisdiction. Real property shall be deemed to be within the jurisdiction if the property or any part of it is located within or not more than two miles outside the boundaries of the jurisdiction or within two miles of any land owned or used by the agency.

#### **CATEGORY 2**

Persons in this category shall disclose all investments and business positions.

The Political Reform Act defines investment as follows:

“Investments” means any financial interest in or security issued by a business entity, including but not limited to common stock, preferred stock, rights, warrants, options, debt instruments, and any partnership or other ownership interest, if the business entity or any parent, subsidiary or otherwise related business within the jurisdiction at any time during the two years prior to the time any statement or other action is required under this title. No asset shall be deemed an investment unless its fair market value equals or exceeds one thousand dollars (\$1,000). The term “investment” does not include a time or demand deposit in a financial institution, shares in a credit union, any insurance policy, interest in a diversified mutual fund registered with the Securities and Exchange Commission under the Investment Company Act of 1940 or a common trust fund which is created pursuant to Section 1564 of the Financial Code, or any bond or other debt instrument issued by any government or government agency. Investments of an individual include pro rata share of investments of any business entity mutual fund or trust in which the individual or spouse owns directly, indirectly or beneficially, a 10 percent interest or greater.

According to the Political Reform Act, a business position is a position of director, officer, partner, trustee, employee, or any position of management in any organization or enterprise operated for profit, including but not limited to proprietorship, partnership, firm, business trust, joint venture, syndicate, corporation or association.

## **HUMAN RESOURCES, DEPARTMENT OF**

### **EXHIBIT “A” (Continued)**

#### **CATEGORY 3**

Persons in this category shall disclose all income and business positions.

The Political Reform Act defines income as follows:

“Income” means a payment received, including but not limited to any salary wage, advance, dividend, interest, rent proceeds from any sale, gift, including any gift of food or beverage, loan forgiveness or payment of indebtedness received by the filer, reimbursement for expenses, per diem, or contribution to an insurance or pension program paid by any person other than an employer, and including any community property interest in the income of a spouse. Income also includes any outstanding loans. Income of an individual also includes a pro rata share of any business entity or trust in which the individual or spouse owns, directly indirectly or beneficial, a 10 percent interest or greater.

#### **CATEGORY 4**

Persons in this category shall disclose all business positions, investments in, or income (including gifts and loans) received from business entities that manufacture, provide or sell service and/or supplies of a type utilized by the agency and associated with the job assignment of designated positions assigned to this disclosure category.

#### **CATEGORY 5**

Individuals who perform under contract the duties of any designated position shall be required to file Statements of Economic Interests disclosing reportable interest in the categories assigned to that designated position.

In addition, individuals who, under contract, participate in decisions which affect financial interests by providing information advice, recommendation or counsel to the agency which could affect financial interests shall be required to file Statements of Economic Interests, unless they fall within the Political Reform Act's exceptions to the definition of consultant. The level of disclosure shall be determined by the executive officer (or head) of the agency.

## HUMAN RESOURCES, DEPARTMENT OF

### EXHIBIT “B”

#### **HUMAN RESOURCES**

<u>Designated Positions</u>	<u>Disclosure Categories</u>
Director of Personnel	1, 2, 3
Chief Deputy Director	1, 2, 3
Assistant Director, HR	1, 2, 3
Human Resources Manager Employee Benefits Administration	4
Principal Analyst, HR Employee Benefits Administration – Operations Section Budget Unit Fiscal Unit	4
Principal Analyst, HR Employee Benefits Administration – Contract Section	4
Human Resources Analyst IV – Employee Benefits – Administration Services – MIS	4
Human Resources Analyst IV Employee Benefits Administration – Operations Section	4
Principal Analyst, Human Resources Employee Benefits Administration – Deferred Income Section	4
Human Resources Analyst IV Employee Benefits Administration – Deferred Income Section	4
Human Resources Analyst III Employee Benefits Administration – Contracts Section	4
Senior Human Resources Manager Classification	4
Senior Human Resources Manager Executive Recruitment/Compensation & Appeals	4



## HUMAN RESOURCES, DEPARTMENT OF

### EXHIBIT “B” (Continued)

#### **HUMAN RESOURCES (cont.)**

<u>Designated Positions</u>	<u>Disclosure Categories</u>
Senior Human Resources Manager Legislative Analysis	4
Human Resources Manager Recruitment, Examining and Placement	4
Human Resources Manager Human Resources/Departmental Support	4
Senior Human Resources Manager Organizational & Employee Development	4
Human Resources Manager Civil Service Advocacy	4
Deputy Administration & Special Projects	2,3
Human Resources Manager Ombudsman	4
Information Systems Analyst II Administration Services MIS	4
Consultant	5

**HUMAN RESOURCES, DEPARTMENT OF**  
**EXHIBIT “B” (Continued)**

**OFFICE OF PUBLIC SAFETY**

<u>Designated Positions</u>	<u>Disclosure Categories</u>
Chief, Office of Public Safety 3	1, 2,
Assistant Chief, Office of Public Safety	4
Administrative Deputy	4
Fiscal Manager Administrative Deputy, Office of Public Safety	4
Personnel Officer II Fiscal Manager, Office of Public Safety	4
Information Technology Coordinator	4
Contract Program Monitor	4
Consultant	5

Conflict of Interest Code  
of the

**LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION (LACERA)**

Incorporation of FPPC Regulation 18730 (2 California Code of Regulations, Section 18730) by Reference

The Political Reform Act (Government Code Section 81000, *et seq.*) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. 18730), which contains the terms of a standard conflict of interest code. After public notes and hearing, it may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730, and any amendments to it duly adopted by the Fair Political Practices Commission, are hereby incorporated into the conflict of interest code of this agency by reference. This regulation and the attached Appendices (or Exhibits) designating officials and employees and establishing economic disclosure categories shall constitute the conflict of interest code of this agency.

Place of Filing of Statements of Economic Interests

All officials and employees required to submit a statement of economic interests shall file their statements with the agency head; or his or her designee. The agency shall make and retain a copy of all statements filed by its Board Members, Governing Board Members, Alternate Board Members, as appropriate, and its agency head (Agency/Department Head, Executive Officer or Chief Executive Officer, Superintendent, or Director), and forward the originals of such statement to the Executive Office of the Board of Supervisors of Los Angeles County.

The agency shall retain the originals of statements for all other Designated Positions named in the agency's conflict of interest code. All retained statements, original or copied, shall be available for public inspection and reproduction (Gov. Code Section 81008).

(6/02) (Rev.)

# **LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION**

## **EXHIBIT "A"**

### **CATEGORY 1**

Persons in this category shall disclose all interest in real property within the jurisdiction that would be suitable for housing all or part of LACERA's operations and all real property within 2 miles of that property. Real property shall be deemed to be within the jurisdiction if the property or any part of it is located within or not more than two miles outside the boundaries of the County of Los Angeles or within two miles of any land used to conduct LACERA's operations.

Persons are not required to disclose property used primarily as their residence or for personal recreational purposes.

### **CATEGORY 2**

Persons in this category shall disclose all investments and business positions in, and all income received from, business entities that are the type utilized by LACERA.

### **CATEGORY 3**

Persons in this category shall disclose all business positions and investments in business entities that are the type in which LACERA's trust funds may be invested (include securities, real estate and business entities), all income from such business entities, and all interests in real estate co-owned with or purchased from such business entities.

### **CATEGORY 4**

Persons in this category shall disclose all business positions, investments in, or income (including gifts and loans) received from business entities that manufacture, provide or sell service and/or supplies of a type utilized by LACERA and associated with the job assignment of designated positions assigned to this disclose category.

### **CATEGORY 5**

Persons in this category shall disclose all income from, investments in and business positions with any member of LACERA, any agent or employee association representing any such member, and business positions with, investments in or income from any entity owned or controlled by any such member or any such member's spouse or other financial dependent.

# **LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION**

## **EXHIBIT "A" (Continued)**

### **CATEGORY 6**

Individuals who perform under contract the duties of any designated position shall be required to file Statements of Economic Interests disclosing reportable interest in the categories assigned to that designated position.

In addition, individuals who, under contract, participate in decisions which affect financial interests by providing information advice, recommendation or counsel to LACERA which could affect a financial interest of the individual shall be required to file Statements of Economic Interests, unless they fall within the Political Reform Act's exceptions to the definition of consultant. The level of disclosure shall be as determined by LACERA's Chief Executive Officer.

# LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

## EXHIBIT "B"

### Designated Positions

### Disclosure Categories

#### **BOARD OF RETIREMENT**

First Member ( County Treasurer )	1, 2
Second Member ( Elected General Member )	1, 2
Third Member ( Elected General Member )	1, 2
Fourth Member ( Elected Safety Member )	1, 2
Fifth Member ( Appointed by Board of Supervisors )	1, 2
Sixth Member ( Appointed by Board of Supervisors )	1, 2
Seventh Member ( Appointed by Board of Supervisors )	1, 2
Eighth Member ( Elected Retired Member )	1, 2
Ninth Member ( Appointed by Board of Supervisors )	1, 2
Tenth Member ( Alternate Safety Member )	1, 2

#### **RETIREMENT ADMINISTRATION**

Assistant Executive Officer, LACERA	1, 2, 3
Senior Staff Counsel, LACERA	1, 2, 3
Associate Staff Counsel, LACERA	1, 2, 3
Staff Counsel, LACERA	1, 2, 3
Chief Counsel, LACERA (Disability Litigation Section)	4, 5
Senior Staff Counsel, LACERA (Disability Litigation Section)	5
Staff Counsel, LACERA (Disability Litigation Section)	5
Associate Staff Counsel, LACERA (Disability Litigation Section)	5
Senior Investment Officer, LACERA	1, 2, 3
Finance Analyst III, LACERA	1, 2, 3
Finance Analyst II, LACERA	1, 2, 3
Chief, Internal Audit, LACERA	4
Assistant Chief, Internal Audit, LACERA	4
Division Manager, LACERA	4
Assistant Division Manager, LACERA	4
Director, Human Resources, LACERA	4

# LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

## EXHIBIT "B" (Continued)

### Designated Positions

### Disclosure Categories

#### **RETIREMENT ADMINISTRATION (cont.)**

Data Systems Supervisor II, LACERA	4
EDP Principal Programmer Analyst, LACERA	4
Administrative Services Officer, LACERA	4
Disability Retirement Specialist Supervisor	4
Senior Procurement & Supply Clerk, LACERA	4
Procurement & Supply Clerk, LACERA	4
Contract Analyst, LACERA	4
Special Assistant, LACERA	4
Consultant	6

### Officials Who Manage Public Investments

It has been determined that the positions listed below manage public investments and must make disclosure pursuant to Government Code Section 87200, *et. seq.*

#### **BOARD OF INVESTMENTS**

First Member ( County Treasurer )  
Second Member ( Elected General Member )  
Third Member ( Elected General Member )  
Fourth Member ( Elected Safety Member )  
Fifth Member ( Appointed by Board of Supervisors )  
Sixth Member ( Appointed by Board of Supervisors )  
Seventh Member ( Appointed by Board of Supervisors )  
Eighth Member ( Elected Retired Member )  
Ninth Member ( Appointed by Board of Supervisors )  
Chief Executive Officer, LACERA  
Chief Counsel, LACERA  
Chief Investment Officer, LACERA  
Principal Investment Officer, LACERA

Employees of LACERA's independent Contractors and Consultants who perform the same or substantially all the same functions as LACERA's Chief Investment Officer.

Effective: